

DECLARATION OF JOSEPH M. FISHER

EXHIBIT H

SOAPBOX

OFF THE SHELF
NANCY F. KOEHN

The Tale of the Dueling Economists

JOHN MAYNARD KEYNES and Friedrich Hayek. The names conjure opposing poles of thought about macroeconomic policy: Keynes is often held up as the flagbearer of vigorous government intervention in the markets, while Hayek is regarded as the champion of laissez-faire capitalism.

What these men actually thought — about the economy and each other — is more complicated, as Nicholas Wapshott demonstrates in "Keynes Hayek: The Clash That Defined Modern Economics" (W. W. Norton, \$28.95). This lively book explores one of the most pressing economic questions of our time: To what extent should government intervene in markets? And in that search, it traces the interaction of the two men most responsible for the way we approach this question: the British economist Keynes and the Austrian economist Hayek.

Both men came of intellectual age in the aftermath of World War I. They lived through the boom of the 1920s and through the Great Depression and arrived at radically different views of the wisdom of letting free-market capitalism run its course.

Keynes concluded that markets would not automatically provide full employment and that during downturns there could be long periods of long-term unemployment. He argued that it was the government's duty to relieve the plight of the jobless by increasing aggregate demand for goods and services.

Mr. Wapshott, a Reuters contributing columnist and a former senior editor at The Times of

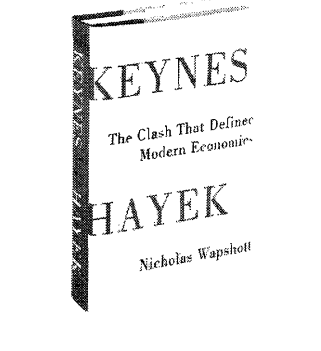
London, skillfully reconstructs the context in which Keynes formulated his theory. During the 1920s, Britain endured persistently high unemployment. Successive policy makers, worried about rising expenditures and falling tax revenues, ignored Keynes's calls for public spending, setting off what he called a "vicious circle."

"We do nothing because we have not the money," Keynes said in 1930 to a government committee investigating the causes of the economic crisis. "But it is precisely because we do not do anything that we have not the money." With the unemployment rate now at 8.1 percent, I gulped long and hard as I read these pages.

Hayek came to a very different conclusion. After serving in World War I, he found his beloved Vienna "devastated and its people's confidence broken," Mr. Wapshott writes. During the ensuing decade, hyperinflation hammered the Austrian economy, melting away the savings of millions of people.

This experience, Mr. Wapshott argues, hardened Hayek "against those who advocated inflation as a cure for a broken economy." And he came to believe "that those who advocated large-scale public spending programs to cure unemployment were inviting not political tyranny."

Thus, the author writes, the battle lines between Keynes and Hayek were drawn. Yet it was a duel characterized by mutual respect. Keynes, for example, shared Hayek's distrust of socialism, while Hayek conceded that



in the case of chronic unemployment, hardened Hayek play a role without leading to oppression.

But it was still a duel. In 1936, Keynes published "The General Theory of Employment, Interest and Money," which took on classical economics and people like Hayek who subscribed to it. Keynes's targets included several long-accepted ideas: that employment levels are determined by the price of labor; that supply creates its own demand; and that savings automatically translate into investment.

Keynes didn't expect that his

findings would lead to an infringement of personal liberty. Instead, the author writes, Keynes believed "that a prosperous society in which everyone is employed was the surest way of maintaining the independence of thought and action he considered the guarantor of true democracy."

Hayek did not publicly detail any criticisms of "The General Theory." But in 1944, he brought out "The Road to Serfdom," which has become a libertarian classic. Hayek aimed to expose socialism and fascism as twin

evils, warning of the potential dangers of central economic planning in the aftermath of World War II.

"It is Germany whose fate we are in some danger of repeating," Hayek wrote.

Keynes was swift to respond, reminding Hayek that the rise of National Socialism was fueled not by big government but by mass unemployment and a failure of capitalism.

The last third of the book focuses on the economists' legacies. Keynesian ideas were ascendant in the postwar era, but by the mid-1970s, with the onset of low economic growth and inflation — a combination previously deemed impossible — Mr. Wapshott says it seemed that "the Age of Keynes was in its death throes."

For the next few decades, Hayek's ideas and proponents like Milton Friedman, who argued that monetary and not fiscal policy was the major tool for managing the economy, gained steady influence. In the author's view, Hayek's influence was seen in the 1984 "Contract With America," the Republican pledge to shrink big government; in the later balanced-budget legislation of President Bill Clinton; and in the operations of the Federal Reserve under Alan Greenspan.

In 2007, the subprime mortgage market began to implode, suggesting that "the decades-long experiment in allowing

barely restrained markets to generate growth and prosperity had failed," Mr. Wapshott writes. A rapid return to Keynesian prescriptions occurred in the next two years, culminating in President Obama's \$787-billion recovery program in early 2009.

By then, however, the old ideological struggle had re-emerged. "Not a single Republican voted for the stimulus," the book notes.

"And with barely a semi-querrel rest, the old Keynes-Hayek arguments broke out again. It was as if the intervening 80 years had not taken place."

Mr. Wapshott has written an important book. It is compelling not only as a history of two distinctive thinkers and their influence, but also as a narrative of political decision-making and its underlying priorities. At times, it seems that the author is as much under Keynes's charismatic thrall as some of his disciples; it would have been even stronger with more attention to Hayek and the evolution of his thought.

But these are quibbles. Underlying Mr. Wapshott's analysis are vital questions for this moment in American history: What kind of society do we want? How much faith do we have in individual agency? And what do we owe to our fellow citizens and our collective future? As Mr. Wapshott writes, these very questions animated Keynes and Hayek during a time when the stakes were also very high.

Thinkers with widely different notions of government's market role.

LETTERS

The Power of Pink And the Cancer Fight

To the Editor:

Re "Welcome, Fans, to the Pink of America" (Oct. 16), which described fund-raising efforts in the fight against breast cancer.

In medical circles, we often discuss whether spending more money on one type of cancer can cannibalize research dollars from another.

Yes, the enthusiasm of patients, survivors and the rest of society is the engine pushing researchers to make significant advances against all types of cancer. When one discovers a new breakthrough for breast cancer, it may translate into an advancement for pancreatic cancer.

But by far the scarcest research funds can put special interest groups against one another. Coordination and communication among researchers are needed. And this is where a research center who best understands the science and the various needs, could help.

We need to make patients aware that coordinated research across many disciplines is best. We need a better way to spread the process without hindering the intellectual enthusiasm that leads to cures.

ANTHONY F. PRIVENZANO, M.D.
Bronxville, N.Y., Oct. 16

The writer is chief of medical oncology at Lawrence Hospital Center.



BRANDON THORNTON FOR THE NEW YORK TIMES

Spending, Taxes And the Infrastructure

To the Editor:

Re "Making the Most of Our Financial Winter" (Economic View, Oct. 16), in which Robert J. Shiller advocates increased spending on infrastructure to provide jobs — with all of it made possible by taxes.

Have we not learned from the failed stimulus that both the Bush and Obama administrations have spent billions of dollars? And we really think the wealthy who will be the target of the taxes won't find ways around them? And won't the higher taxes give them less incentive to engage in the economic activity that will generate the required revenues?

Let's also not forget about the alternative minimum tax, an-

other levy intended to force the rich to pay more taxes. This tax now afflicts many middle-class taxpayers and has required frequent fixes by Congress so it doesn't impact even more.

Why trust our government, which is responsible for such fiscal travesties as the "Big Dig" and the "bridge to nowhere," to wisely and efficiently spend the additional money that would be attracted by the jobs proposal? The main beneficiaries won't be the American people, but a favored few unions and politically connected corporations.

DAVID KESLON
Scarsdale, N.Y., Oct. 17

ing provides a powerful damper on inflation. Unfortunately, the common response to a severe economic downturn is to defer capital projects and maintenance, resulting in a construction bust. That creates pent-up demand, leading to a construction boom as economic times improve. And that, in turn, drives inflation with higher construction costs.

We have ample evidence that many crucially important projects are now long overdue. Democrats and Republicans may disagree on many issues, but providing funds now for essential infrastructure projects shouldn't be one of them.

JOSEPH C. RIZZO
Spring Lake, N.J., Oct. 19

To the Editor:

In arguing for President Obama's jobs proposal, Robert J. Shiller says it would be comparable to farmers using their winter downtime to work on their farms' infrastructure — repairing buildings and equipment, for example, in preparation for future crops.

While time is an asset that is completely lost if not used, those who use their time to work need food, tools, etc. The food may come from seeds to be planted in the spring (savings) and the plow may not be very productive if the repairs are temporary or

poorly done (typical of government projects).

So here is the important question: Shall we deplete our seed stock (savings) to produce something of questionable value, especially when the seed is crucial to our future survival? While we can "print money," we cannot as easily replace seeds that have been consumed to "look busy."

GILBERT GRUBBS, Ph.D.
Southold, N.Y., Oct. 16

The writer is a professor emeritus in the School of Business at Adelphi University.

Of Errors and Calories

To the Editor:

In "Made a Mistake? Just Treat Us to Ice Cream" (Corner Office, Oct. 16), Dan Schneider, C.E.O. of SIB Development and Consulting, says that instead of berating an employee for making a big mistake, he asks him to hold an ice cream party.

I applaud the emphasis on positivity as opposed to the negativity of a tirade that we might expect from top executives. But couldn't he be as well as others who take his lead, opt for a healthier choice? How about: "Made a mistake? Let's have a cottage cheese party?"

BARRY STRAUER
Pittsford, N.Y., Oct. 16

LEGAL NOTICE

If You Bought A Cathode Ray Tube Product, A Class Action Settlement May Affect You.

What does this notice mean for you?

You may be affected by a class action lawsuit involving CRT Products. Cathode ray tube (CRT) products manufactured between 1970 and 1990 may be affected by this lawsuit. The lawsuit involves CRT products manufactured between 1970 and 1990. The lawsuit involves CRT products manufactured between 1970 and 1990. The lawsuit involves CRT products manufactured between 1970 and 1990.

Who Represents You?

The class is represented by the law firm of [Name], [Address], [City], [State], [Zip]. The class is represented by the law firm of [Name], [Address], [City], [State], [Zip]. The class is represented by the law firm of [Name], [Address], [City], [State], [Zip].

What is this case about?

The lawsuit involves CRT products manufactured between 1970 and 1990. The lawsuit involves CRT products manufactured between 1970 and 1990. The lawsuit involves CRT products manufactured between 1970 and 1990.

Who is included?

The lawsuit involves CRT products manufactured between 1970 and 1990. The lawsuit involves CRT products manufactured between 1970 and 1990. The lawsuit involves CRT products manufactured between 1970 and 1990.

What does the Settlement Provide?

The lawsuit involves CRT products manufactured between 1970 and 1990. The lawsuit involves CRT products manufactured between 1970 and 1990. The lawsuit involves CRT products manufactured between 1970 and 1990.

For more details, call toll free 1-800-673-4790, visit www.CRTsettlement.com, or write to CRT Settlement, c/o The Notice Company, P.O. Box 778, Hingham, MA 02043.

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CERTIFICATION OF PUBLICATION

OCT 24 2011

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Alice Weber

, in my capacity as a Principal Clerk of the Publisher of **The New York Times** a daily newspaper of general circulation printed and published in the City, County and State of New York, hereby certify that the advertisement annexed hereto was published in the editions of **The New York Times** on the following date or dates, to wit on

OCT 23 2011

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Oliver Weber

Approved:

Maria Cannullo

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WITHOUT NYT RAISED SEAL

LEGAL NOTICE

If You Bought A Cathode Ray Tube Product,
A Class Action Settlement May Affect You.

Put this Settlement in your
File or on your computer

You may be affected by a class action lawsuit involving CRT Products purchased between 1990 and 2006. The lawsuit involves CRT Products manufactured by the defendant, General Electric, and sold by various retailers. The lawsuit seeks damages for the CRT Products. The lawsuit is being brought by the Plaintiff, who is a class member. The lawsuit is being brought in the District Court of the Southern District of New York. The lawsuit is being brought by the Plaintiff, who is a class member. The lawsuit is being brought in the District Court of the Southern District of New York. The lawsuit is being brought by the Plaintiff, who is a class member.

What is this case about?

The lawsuit claims that GE knowingly sold CRT Products that were defective. The lawsuit seeks damages for the CRT Products. The lawsuit is being brought by the Plaintiff, who is a class member. The lawsuit is being brought in the District Court of the Southern District of New York. The lawsuit is being brought by the Plaintiff, who is a class member.

Who is included?

The "Settlement" includes any person or persons who bought or bought in the past, including those who bought the CRT Products from GE or from a retailer. The lawsuit is being brought by the Plaintiff, who is a class member. The lawsuit is being brought in the District Court of the Southern District of New York. The lawsuit is being brought by the Plaintiff, who is a class member.

What does the Settlement provide?

The Settlement provides for the payment of a lump sum of \$10,000,000 to the class members. The Settlement is being brought by the Plaintiff, who is a class member. The lawsuit is being brought in the District Court of the Southern District of New York. The lawsuit is being brought by the Plaintiff, who is a class member.

Who Represents You?

The Court has appointed Maria Cannullo as the Settlement Administrator. The Settlement Administrator is responsible for the administration of the Settlement. The Settlement Administrator is responsible for the administration of the Settlement. The Settlement Administrator is responsible for the administration of the Settlement.

What are your Options?

If you wish to opt out of the Settlement, you must do so by February 1, 2012. If you do not opt out, you will be included in the Settlement. The Settlement is being brought by the Plaintiff, who is a class member. The lawsuit is being brought in the District Court of the Southern District of New York. The lawsuit is being brought by the Plaintiff, who is a class member.

The Settlement is being brought by the Plaintiff, who is a class member. The lawsuit is being brought in the District Court of the Southern District of New York. The lawsuit is being brought by the Plaintiff, who is a class member.

For more details, call toll free 1-800-673-4790, visit www.CRTsettlement.com or write to CRT Inirect Settlement, c/o The Police Company, P.O. Box 778, Hingham, MA 02043.

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